

HOUSE BILL NO. 323

INTRODUCED BY D. HIMMELBERGER

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE LAW ON UNINSURED MOTORISTS; PROVIDING 15 BUSINESS DAYS TO PROVIDE PROOF OF FINANCIAL RESPONSIBILITY FOR A PERSON WHO IS REQUIRED TO MAINTAIN PROOF OF FINANCIAL RESPONSIBILITY AND WHO FAILED TO SHOW PROOF OF FINANCIAL RESPONSIBILITY UPON DEMAND; INCREASING FINES FOR A SECOND OR SUBSEQUENT OFFENSE OF FAILING TO MAINTAIN LIABILITY INSURANCE; CHANGING FROM THE FOURTH CONVICTION OF DRIVING WITHOUT INSURANCE TO THE FIRST CONVICTION THE POINT AT WHICH A DRIVER'S LICENSE IS SUSPENDED AND NOT REINSTATED UNTIL THE DEPARTMENT OF JUSTICE IS GIVEN PROOF THAT THE DRIVER HAS OBTAINED THE REQUIRED INSURANCE; PROVIDING HOW THE PROOF IS GIVEN; PROVIDING THAT THE INSURANCE MAY NOT BE CANCELED UNTIL 10 DAYS AFTER NOTICE OF CANCELLATION IS GIVEN TO THE DEPARTMENT OF JUSTICE; AND AMENDING SECTIONS 61-6-302 AND 61-6-304, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 61-6-302, MCA, is amended to read:

"61-6-302. Proof of compliance. (1) The registration receipt required by 61-3-322 must contain a statement that unless the vehicle is eligible for an exemption under 61-6-303, it is unlawful to operate the vehicle without a valid motor vehicle liability insurance policy, a certificate of self-insurance, or a posted indemnity bond, as required by 61-6-301.

(2) Each person shall carry in a motor vehicle being operated by the person an insurance card approved by the department but issued by the insurance carrier to the motor vehicle owner as proof of compliance with 61-6-301. A motor vehicle operator shall exhibit the insurance card upon demand of a justice of the peace, a city or municipal judge, a peace officer, a highway patrol officer, or a field deputy or inspector of the department. A person commits an offense under this subsection if the person fails to carry the insurance card in a motor vehicle or fails to exhibit the insurance card upon demand of a person specified in this subsection. However, a person charged with violating this subsection may not be convicted if the person produces in court or the office of the arresting officer proof of insurance valid at the time of arrest.

1 (3) If a person required to maintain proof of financial responsibility pursuant to 61-6-131 fails to exhibit
2 the insurance card upon the demand of a person specified in subsection (2), the person required to maintain proof
3 must produce within 15 business days in court or in the office of the arresting or citing officer proof of financial
4 responsibility valid at the time of the arrest or citation."

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6 **Section 2.** Section 61-6-304, MCA, is amended to read:

7 **"61-6-304. Penalties.** (1) Conviction of a first offense under 61-6-301 or 61-6-302 is punishable by a
8 fine of not less than \$250 or more than \$500 or by imprisonment in the county jail for not more than 10 days, or
9 both. A second conviction is punishable by a fine of ~~\$350~~ \$500 or by imprisonment in the county jail for not more
10 than 10 days, or both. A third or subsequent conviction is punishable by a fine of ~~\$500~~ \$1,000 or by imprisonment
11 in the county jail for not more than 6 months, or both.

12 (2) Upon a second or subsequent conviction under 61-6-301 or 61-6-302, the sentencing court shall
13 order the surrender of the vehicle registration receipt and license plates for the vehicle operated at the time of
14 the offense if that vehicle was operated by the registered owner or a member of the registered owner's immediate
15 family or by a person whose operation of that vehicle was authorized by the registered owner. The court shall
16 report the surrender of the registration receipt and license plates to the department, which shall immediately
17 suspend the vehicle's registration. The vehicle's registration status may not be reinstated until proof of compliance
18 with 61-6-301 is furnished to the department, but if the vehicle is transferred to a new owner, the new owner is
19 entitled to register the vehicle. The surrendered license plates must be recycled or destroyed by the court unless
20 the court decides to retain the license plates for the owner until the registration suspension has been completed
21 or the requirements for a restricted registration receipt have been met. Upon proof of compliance with 61-6-301
22 and payment of fees required under 61-3-333 for replacement license plates and registration decal and under
23 61-3-341 for a replacement registration receipt, during the period of 90 days from the date of a second conviction
24 or 180 days from the date of a third or subsequent conviction, the department shall issue a restricted registration
25 receipt to the offender. A restricted registration receipt limits the use of the motor vehicle operated at the time of
26 the offense to use solely for employment purposes until the date indicated on the restricted registration receipt.

27 (3) (a) ~~Upon a fourth or subsequent~~ conviction under 61-6-301 or 61-6-302, the court shall order the
28 surrender of the driver's license of the offender; if the vehicle operated at the time of the offense was registered
29 to the offender or a member of the offender's immediate family. The court shall send the driver's license, along
30 with a copy of the complaint and the dispositional order, to the department, which shall immediately suspend the

1 driver's license. The department may not reinstate a driver's license suspended under this subsection until the
2 registered owner provides the department proof of compliance with 61-6-301 and the department determines that
3 the registered owner is otherwise eligible for licensure.

4 (b) Proof of compliance with 61-6-301 may be furnished by filing with the department the written
5 certificate of an insurer authorized to do business in this state certifying that there is in effect a motor vehicle
6 liability policy for the benefit of the person required to furnish proof of compliance with 61-6-301. The certificate
7 must state the effective date of the policy and must designate by explicit description or appropriate reference all
8 motor vehicles covered by the policy unless the policy is issued to a person who is not the owner of a motor
9 vehicle.

10 (c) A policy certified under subsection (3)(b) and any renewal policy may not be canceled or terminated
11 by either the insurer or the insured until at least 10 days after a notice of cancellation or termination of the policy
12 has been filed with the department.

13 (4) The court may suspend a required fine only upon a determination that the offender is or will be unable
14 to pay the fine.

15 (5) A court may not defer imposition of penalties provided by this section.

16 (6) An offender is considered to have been previously convicted for the purposes of sentencing if less
17 than 5 years have elapsed between the commission of the present offense and a previous conviction."

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